# Equipment Management & Support Company (Private) Limited

## Financial Statements
## For the Period ended 30 June 2019

KPMG Taseer Hadi & Co.
Chartered Accountants
Sixth Floor, State Life Building, Blue Area
Islamabad, Pakistan
Telephone 92 (51) 282 3558, Fax 92 (51) 282 2671

# INDEPENDENT AUDITORS' REPORT

**To the members of Equipment Management & Support Company (Private) Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the annexed financial statements of Equipment Management & Support Company (Private) Limited (the Company), which comprise the statement of financial position as at 30 June 2019, and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 30 June 2019 and of the profit, the comprehensive income, the changes in equity and its cash flows for the year then ended.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

KPMG

KPMG Taseer Hadi & Co.

**Information Other than the Financial Statements and Auditors' Report Thereon**

Management is responsible for the other information. Other information comprises the director's report for the year ended 30 June 2019 but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

KPMG Taseer Hadi & Co.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Taseer Hadi & Co.

**Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Atif Zamurrad Malik.

KPMG Taseer Hadi & Co

**KPMG Taseer Hadi & Co.**
**Chartered Accountants**
**Islamabad**
**30 July 2020**

Equipment Management & Support Company (Private) Limited

Statement of Financial Position

As at 30 June 2019

| | Note | 2019 Rupees | 2018 Rupees |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Prepayments and other receivables | 6 | **2,396,508** | - |
| Cash and bank balance | 7 | **33,955,899** | 5,700,594 |
| | | **36,352,407** | 5,700,594 |
| **Total assets** | | **36,352,407** | 5,700,594 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | 8 | **100,000** | 100,000 |
| Revenue reserve - accumulated loss | | **(751,435)** | (837,811) |
| | | **(651,435)** | (737,811) |
| **Current liabilities** | | | |
| Payable to parent company - net | 9 | **30,124,938** | 4,366,198 |
| Trade and other payables | 10 | **4,390,593** | 1,845,186 |
| Income tax payable | 11 | **2,488,311** | 227,021 |
| | | **37,003,842** | 6,438,405 |
| **Total equity and liabilities** | | **36,352,407** | 5,700,594 |
| **CONTINGENCIES AND COMMITMENTS** | 16 | | |

The annexed notes 1 to 24 form an integral part of these financial statements.

**CHIEF EXECUTIVE OFFICER** **DIRECTOR**

For Signatures
Please

# Equipment Management & Support Company (Private) Limited
## Statement of Profit or Loss
For the year ended 30 June 2019

| | Note | 2019<br>Rupees | For the period from 24 May 2017 to 30 June 2018<br>Rupees |
|---|---|---|---|
| Revenue | 12 | **14,183,635** | 1,990,932 |
| Cost of services | 13 | **(10,452,103)** | (1,148,909) |
| **Gross profit** | | **3,731,532** | 842,023 |
| Administrative and general expenses | 14 | **(3,550,855)** | (1,414,244) |
| Operating profit / (loss) | | **180,677** | (572,221) |
| Finance cost | | **(141,923)** | (60,986) |
| Other income | | **2,332,877** | 34,308 |
| **Profit / (loss) before taxation** | | **2,371,631** | (598,899) |
| Taxation | 15 | **(2,285,255)** | (238,912) |
| **Profit / (loss) after taxation** | | **86,376** | (837,811) |

The annexed notes 1 to 24 form an integral part of these financial statements.

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**

For Signatures
Please

## Equipment Management & Support Company (Private) Limited

### Statement of Comprehensive Income

For the year ended 30 June 2019

| | 2019<br>PKR | For the period from 24 May 2017 to 30 June 2018<br>Rupees |
|---|---|---|
| **Profit / (loss) after taxation** | **86,376** | (837,811) |
| Other comprehensive income for the year / period | - | - |
| **Total comprehensive income for the year / period profit - (loss)** | **86,376** | (837,811) |

The annexed notes 1 to 24 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

For Signatures
Please

# Equipment Management & Support Company (Private) Limited
## Statement of Cash Flows
For the year ended 30 June 2019

| | 2019<br>Rupees | For the period from 24 May 2017 to 30 June 2018 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit / (loss) before taxation | 2,371,631 | (598,899) |
| **Adjustments for:** | | |
| Other income | (2,332,877) | (34,308) |
| Finance Cost | 141,923 | 60,986 |
| | 180,677 | (572,221) |
| **Changes in:** | | |
| Prepayments and other receivables | (2,396,508) | - |
| Payable to parent company - net | 25,758,740 | 4,366,198 |
| Trade and other payables | 2,545,407 | 1,845,186 |
| | 25,907,639 | 6,211,384 |
| Other income | 2,332,877 | 34,308 |
| Finance Cost | (141,923) | (60,986) |
| Taxes paid | (23,965) | (11,891) |
| **Net cash generated from operating activities** | 28,255,305 | 5,600,594 |
| **Cash flows from financing activities** | | |
| Proceeds from issuance of shares | - | 100,000 |
| **Net cash from financing activities** | - | 100,000 |
| **Net increase in cash and cash equivalents** | 28,255,305 | 5,700,594 |
| Cash and cash equivalents at the beginning of the year / period | 5,700,594 | - |
| Cash and cash equivalents at the end of the year / period | 33,955,899 | 5,700,594 |

The annexed notes 1 to 24 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

For Signatures
Please

# Equipment Management & Support Company (Private) Limited
## Statement of Changes in Equity
For the year ended 30 June 2019

| | Share capital | Revenue reserve - accumulated loss | Total |
|---|---|---|---|
| | ----------------- | Rupees | ----------------- |
| **Contribution by owners - recorded directly in equity** | | | |
| Issuance of ordinary shares | 100,000 | - | 100,000 |
| **Total comprehensive income for the period** | | | |
| Loss for the period | - | (837,811) | (837,811) |
| **Balance as at 30 June 2018** | 100,000 | (837,811) | (737,811) |
| **Balance as at 1 July 2018** | **100,000** | **(837,811)** | **(737,811)** |
| **Total comprehensive income for the year** | | | |
| Profit for the year | - | **86,376** | **86,376** |
| | - | **86,376** | **86,376** |
| **Balance as at 30 June 2019** | **100,000** | **(751,435)** | **(651,435)** |

The annexed notes 1 to 24 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

For Signatures
Please

## 1 LEGAL STATUS AND NATURE OF BUSINESS

Equipment Management and Support Company (Private) Limited ("the Company") was incorporated as a private limited company on 24 May 2017 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The registered office of the Company is located at Headquarters Frontier Works Organization, 509, Kashmir Road, R.A Bazar, Rawalpindi. The Company is principally formed for the purpose of providing equipment management services to Frontier Works Organization and to act as an agent on behalf of Frontier Works Organization for execution of equipment hiring in and hiring out agreements.

The Company is wholly owned subsidiary of Frontier Works Organization (the Parent Company).

## 2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

## 3 BASIS OF PREPARATION AND PRESENTATION

The Companies Act, 2017 was enacted and promulgated by the SECP on May 30, 2017 and the companies whose financial year closes after December 31, 2017 are required to prepare their financial statements in accordance with the provisions of the Companies Act, 2017. Accordingly, the Company has prepared these financial statements in accordance with the provisions of the Companies Act, 2017.

### 3.1 Basis of measurement

These financial statements have been prepared under the historical cost convention.

### 3.2 Functional and presentation currency

Items included in these financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

W

## 4 USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with approved accounting and reporting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgment about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Judgments made by management in the application of the approved accounting and reporting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in the ensuing paragraphs.

### (i) Taxation

The Company takes into account the income tax laws applicable to the Company and decisions taken by appellate authorities. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

### (ii) Impairment of non-financial assets

Management exercises judgement in measuring the recoverable amount of assets at each reporting date to determine whether there is any indication of impairment loss. If any such indication exists, recoverable amount is estimated to determine the extent of impairment of such assets.

### (iii) Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost, if any.

## 5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except for the change as indicated below:

### a) IFRS 15 'Revenue from Contract with Customers'

The Company has adopted IFRS 15 with a date of initial application of 01 July 2018. As a result the Company has changed its accounting policy for revenue recognition. However, it has no significant impact on the Company's financial statements.

**b) IFRS 9 'Financial Instruments'**

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement.

As a result of the adoption of IFRS 9, the Company has adopted consequential amendments to IAS 1 Presentation of Financial Statements, which require impairment of financial assets to be presented as a separate line item in the statement of profit or loss.

Additionally, the Company has adopted consequential amendments to IFRS 7 Financial Instruments: Disclosures that are applied to disclosures about 2019 but have not been generally applied to comparative information.

Adoption of IFRS 9 "Financial Instruments" has no impact on opening balances of reserves and retained earnings.

**Classification and measurement of financial assets and financial liabilities**

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The adoption of IFRS 9 does not have a significant effect on the Company's accounting policies related to financial liabilities.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 July 2018.

| | Original Classification under IAS 39 | New classification under-IFRS 9 |
|---|---|---|
| **Financial assets** | | |
| Other receivables | Loans and receivables | Amortized cost |
| Cash and bank balances | Loans and receivables | Amortized cost |
| **Financial liabilities** | | |
| Payable to holding company - net | Other financial liabilities | Other financial liabilities |
| Trade and other payables | Other financial liabilities | Other financial liabilities |

**Impairment of financial assets**

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to invest in equity instruments. Under IFRS 9 credit losses are recognised earlier than under IAS 39, however, it has no impact on the Company's financial statements.

**Transition**

Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively, except as described below.

- The Company has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements.

- Assessments have been made on the basis of the facts and circumstances that existed at the date of initial application for determination of the business model within which a financial asset is held.

**5.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and balance with banks.

**5.2 Trade and other payables**

Liabilities for trade and other payables are initially carried at the fair value, subsequent to the initial recognition these are carried at amortized cost.

**5.3 Revenue recognition**

Revenue is measured based on the consideration specified in the Master Service Agreement between the Company and the Parent Company dated 13 January 2018. The Company recognizes its revenue when its performance obligation under the contract are fully satisfied.

**Nature of service**

The Company principally generates revenue from providing hiring in and hiring out services relating to plant and machinery to its Parent Company . The Company is providing these services under the Master Service Agreement between the Company and the Parent Company dated 13 January 2018.

**5.4 Impairment**

**Non-derivative financial assets**

The Company recognises loss allowance for Expected Credit Losses (ECLs) on financial assets measured at amortized cost and contract assets. The Company measures loss allowances at an amount equal to lifetime ECLs. The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

Lifetime ECLs are those that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

At each reporting date, the Company assesses whether the financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

**Non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in statement of profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

### 5.5 Financial instruments - Policy applicable from 1 July 2018

The Company initially recognizes financial assets on the date when they are originated. Financial liabilities are initially recognized on the trade date when the entity becomes a party to the contractual provisions of the instrument.

### 5.5.1 Financial assets

**Classification**

On initial recognition, a financial asset is classified as measured at:
- amortized cost;
- fair value through other comprehensive income (FVOCI); or
- fair value through profit or loss (FVTPL)

The classification of financial assets is based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

**a) Amortized cost**

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Fair value through other comprehensive income (FVOCI)**

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) Fair value through profit or loss (FVTPL)**

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

**Subsequent measurement**

| | |
|---|---|
| **Financial assets at amortised cost** | Measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit or loss. Any gain or loss on de-recognition is recognized in statement of profit or loss. |
| **Financial assets at FVTPL** | Measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit or loss. |

**De-recognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

**5.5.2 Financial liabilities**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in statement of profit or loss.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. Any gain / (loss) on the recognition and de-recognition of the financial assets and liabilities is included in the statement of profit or loss for the period in which it arises.

**5.5.3 Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**5.6 Financial Instruments - Policy applicable before 1 July 2018**

**a) Classification**

The Company classifies non-derivative financial assets into loans and receivable category and financial liabilities into other financial liabilities category.

**b) Recognition and de-recognition**

The Company initially recognises loans and receivables on the date when they are originated. Financial liabilities are initially recognised on the date when the entity becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

**c) Measurement**

Financial assets categorised as loans and receivables are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method. Financial liabilities categorised as other financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

## 5.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## 5.8 Taxation

Taxation for the year comprises current tax. Taxation is recognized in the profit and loss account except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

### 5.8.1 Current tax

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and tax rebates available.

### 5.8.2 Deferred tax

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted or substantively enacted by reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

### 5.9 Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

### 5.10 Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short position at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in statement of profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

### 5.11 Standards, interpretations and amendments to the approved accounting standards

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2019:

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 1 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The Company is currently assessing the impact on the Company's financial statements.

- IFRS 16 'Leases' (effective for annual period beginning on or after 1 January 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. The standard is not likely to have any effect on the Company's financial statements.

- Amendment to IFRS 9 'Financial Instruments' – Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 1 January 2019). For a debt instrument to be eligible for measurement at amortised cost or FVOCI, IFRS 9 requires its contractual cash flows to meet the SPPI criterion – i.e. the cash flows are 'solely payments of principal and interest'. Some prepayment options could result in the party that triggers the early termination receiving compensation from the other party (negative compensation). The amendment allows that financial assets containing prepayment features with negative compensation can be measured at amortised cost or at fair value through other comprehensive income (FVOCI) if they meet the other relevant requirements of IFRS 9. The application of amendment is not likely to have an impact on Company's financial statements.

- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 1 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on Company's financial statements.

- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 1 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on Company's financial statements.

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.

- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.

- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallise. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.

- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:
  - IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.
  - IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.

The above amendments are effective from annual period beginning on or after 01 January 2019 and are not likely to have an impact on Company's financial statements.

W

## 6 PERPAYMENTS AND OTHER RECEIVABLES

| | Note | 2019 Rupees | 2018 Rupees |
|---|---|---|---|
| Other receivables | 6.1 | 2,230,620 | - |
| Prepaid insurance | | 165,888 | - |
| | | 2,396,508 | - |

6.1 This includes an amount receivable form the Parent Company amounting to Rs. 1,098,620 (2018: Nil) against repair and maintenance expenditure incurred on its behalf. The maximum aggregate amount outstanding at any time during the year is Rs. 1,098,620 (2018: Nil). The balance is outstanding for less then 30 days.

## 7 CASH AND BANK BALANCE

| | Note | 2019 Rupees | 2018 Rupees |
|---|---|---|---|
| Cash in hand | | 96,617 | 52,225 |
| Cash at bank | | | |
| - saving account | 7.1 | 33,859,282 | 5,648,369 |
| | | 33,955,899 | 5,700,594 |

7.1 The balance in saving account carries markup ranging between 5% to 10.75% (2018: 4% to 5.5%) per annum.

## 8 SHARE CAPITAL

| | 2019 Rupees | 2018 Rupees |
|---|---|---|
| Authorized: | | |
| 1,000 (2018:1,000) ordinary shares of Rs. 100 each | 100,000 | 100,000 |
| Issued, subscribed and paid up: | | |
| 1,000 (2018:1,000) ordinary shares of Rs. 100 each fully paid in cash | 100,000 | 100,000 |

## 9 PAYABLE TO PARENT COMPANY - NET

This represents amounts received by the Company as an agent, on behalf of the Parent Company. The amount is net-off the Company' services charges.

The gross movement in payable to Parent Company during the year is as follows:

| | 2019 Rupees | 2018 Rupees |
|---|---|---|
| Opening balance | 4,366,198 | - |
| Collections received on behalf of FWO | 39,942,375 | 6,357,130 |
| Less: Equipment management charges for the period | (14,183,635) | (1,990,932) |
| Closing balance | 30,124,938 | 4,366,198 |

## 10 TRADE AND OTHER PAYABLES

| | 2019 Rupees | 2018 Rupees |
|---|---|---|
| Other payables | 490,000 | 841,223 |
| Withholding tax payable | 39,985 | 3,239 |
| Accrued liabilities | 3,860,608 | 1,000,724 |
| | 4,390,593 | 1,845,186 |

## 11 INCOME TAX PAYABLE

| | 2019 Rupees | 2018 Rupees |
|---|---|---|
| Opening balance | 227,021 | - |
| Add: Provision for current taxation | 2,285,255 | 238,912 |
| Adjustment against tax paid / deducted at source | (23,965) | (11,891) |
| | 2,488,311 | 227,021 |

## 12 REVENUE

| | 2019 Rupees | 2018 Rupees |
|---|---|---|
| Service charges for hired out equipment | 9,465,896 | 1,588,750 |
| Service charges for hired in equipment | 4,717,739 | 402,182 |
| | 14,183,635 | 1,990,932 |

## 13 COST OF SERVICES

| | 2019 Rupees | 2018 Rupees |
|---|---|---|
| Salaries and benefits | 3,424,317 | 567,403 |
| Repair and maintenance charges | 6,198,347 | 581,506 |
| Others | 829,439 | - |
| | 10,452,103 | 1,148,909 |

## 14 ADIMINISTRATIVE AND GENERAL EXPENSES

| | Note | 2019 Rupees | 2018 Rupees |
|---|---|---|---|
| Auditors' remuneration | 14.1 | 911,500 | 560,000 |
| Communication | | 60,588 | 13,100 |
| Legal and professional charges | | 2,275,317 | 808,549 |
| Office supplies | | 6,450 | 8,900 |
| Fee and subscriptions | | 29,000 | 20,500 |
| Travelling and conveyance | | 74,800 | 3,195 |
| Staff insurance | | 42,250 | - |
| Staff welfare | | 144,000 | - |
| Miscellaneous expense | | 6,950 | - |
| | | 3,550,855 | 1,414,244 |

### 14.1 Auditors' remuneration

| | 2019 | 2018 |
|---|---|---|
| Audit fee | 348,000 | 200,000 |
| Review of statement of compliance with Public Sector Code of Corporate Governance | 116,000 | - |
| Certifications | - | 52,500 |
| Tax services | 420,000 | 280,000 |
| Out of pocket expenses | 27,500 | 27,500 |
| | 911,500 | 560,000 |

## 15 TAXATION

| | 2019 | 2018 |
|---|---|---|
| Current | 2,285,255 | 238,912 |
| | 2,285,255 | 238,912 |

**Relationship between profit for the year and tax charge**

| | 2019 | 2018 |
|---|---|---|
| Profit / loss before taxation | 2,371,631 | (598,899) |
| Tax at applicable rate of 25% (2018: 25%) | 592,908 | (149,725) |
| Effect on income taxed at different rate | 1,692,347 | 388,637 |
| | 2,285,255 | 238,912 |

## 16 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at year end. (2018: Nil)

## 17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Frontier Works Organization holds 100% shares of the Company. Therefore Frontier Works Organization including its subsidiaries and associates are the related parties of the Company. Other related parties include directors, key management personnel, entities over which directors are able to exercise significant influence. Below is the list of related parties with whom the Company has entered into transactions during the year:

| Related Party | Basis of Relationship | Shareholding Percentage in the Company |
|---|---|---|
| Frontier Works Organization | Parent Company | 99.50% |
| Motorway Operations and Rehabilitation Engineering (Private) Limited - (MORE) | Associate | Nil |
| Swat Expressway Planning Constructions and Operations (Private) Limited - (SEPCO) | Associate | Nil |
| Superhighway Construction Operation and Rehabilitation Engineering (Private) Limited - (SCORE) | Associate | Nil |
| Karachi and Thatta Construction and Management (Private) Limited - (KATKAM) | Associate | Nil |
| Lahore Sialkot Motorway Infrastructure Management (Private) Limited - (LSMIM) | Associate | Nil |
| Degan Exploration Works (Private) Limited - (DEW) | Associate | Nil |
| Frontier Cement Company (Private) Limited - (FCC) | Associate | Nil |

Details of transactions with these related parties are as follows:

| | 2019 Rupees | 2018 Rupees |
|---|---|---|
| **Parent Company** | | |
| Services rendered | 14,183,635 | 1,990,932 |
| Balance due to - unsecured | 30,124,938 | 4,366,198 |
| Balance due from - unsecured | 1,098,620 | - |
| Receipt on account of share subscription money | - | 100,000 |
| **Associates** | | |
| **Collections against Vehicle Rental** | | |
| MORE | 2,849,790 | 410,000 |
| SEPCO | 840,000 | 280,000 |
| SCORE | 625,000 | 720,000 |
| KATKAM | 405,000 | 135,000 |
| DEW | 1,978,109 | - |
| FCC | 180,000 | - |
| LSMIM | 1,890,000 | 270,000 |

## 18 FINANCIAL RISK MANAGEMENT

### 18.1 Financial risk factors

The Company has exposure to the following risks from its use of financial instruments:
- Market risk
- Credit risk
- Liquidity risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

Risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training, management standards and procedures, has developed a disciplined and constructive control environment in which all employees understand their roles and obligations.

**a) Market Risk**

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns. However, the Company is not exposed to any significant market risk.

**b) Credit Risk**

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party, by failing to discharge its obligation.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

| **30 June 2019** | **Carrying amount** | **Maximum Exposure** |
|---|---|---|
| | **Rupees** | |
| Other receivables | **2,230,620** | **2,230,620** |
| Cash and bank balances | **33,955,899** | **33,955,899** |

| 30 June 2018 | **Carrying amount** | **Maximum Exposure** |
|---|---|---|
| | **Rupees** | |
| Cash and bank balances | 5,700,594 | 5,700,594 |

Geographically, there is no concentration of credit risk.

The Company's most significant amount is balance with a bank, amounting to Rs. 33,955,899 (2018: Rs. 5,700,594), as at the balance sheet date.

The Company has placed funds in financial institution with credit rating as follows:

| | **Rating 2019** | | **Rating Agency** |
|---|---|---|---|
| | **Short term** | **Long term** | |
| United Bank Limited | AAA | A-1+ | JCR-VIS |

| | Rating 2018 | | Rating Agency |
|---|---|---|---|
| | Short term | Long term | |
| United Bank Limited | AAA | A-1+ | JCR-VIS |

c) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The maturity profile of the Company's financial liabilities at year end based on contractual cash flows is summarized below:

| **30 June 2019** | **Carrying amount** | **One to twelve months** | **One to five years** |
|---|---|---|---|
| | | **Rupees** | |
| Payable to parent company - net | **30,124,938** | **30,124,938** | - |
| Trade and other payables | **4,390,593** | **4,390,593** | - |
| Income tax payable | **2,488,311** | **2,488,311** | - |

| 30 June 2018 | Carrying amount | One to twelve months | One to five years |
|---|---|---|---|
| | | Rupees | |
| Payable to parent company - net | 4,366,198 | 4,366,198 | - |
| Trade and other payables | 1,845,186 | 1,845,186 | - |
| Income tax payable | 227,021 | 227,021 | - |

**18.2 Fair values**

**i) Fair value hierarchy**

Financial instruments carried at fair value have been analysed at following levels using valuation method:

Level 1: inputs using the quoted prices in active market for identical assets / liabilities.
Level 2: inputs other than the quoted market prices that are observed for the assets / liabilities either directly or indirectly.
Level 3: based on unobservable inputs for assets / liabilities.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change has occurred.

**ii) Determination of fair values**

The Company's accounting policies and disclosures require the determination of fair value, of both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods.

**Non - derivative financial assets**

The fair value of non-derivative financial assets is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes.

**Non-derivative financial liabilities**

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Equipment Management & Support Company (Private) Limited
Notes to the Financial Statements
For the year ended 30 June 2019

| **30 June 2019** | **Amortized cost** | **Other financial liabilities** | **Total** |
|---|---|---|---|
| | --------------------------- | **Rupees** | --------------------------- |
| **Financial Assets** | | | |
| Other receivables* | 2,230,620 | - | 2,230,620 |
| Cash and bank balances* | 33,955,899 | - | 33,955,899 |
| **Financial Liabilities** | | | |
| Payable to holding company - net* | - | 30,124,938 | 30,124,938 |
| Trade and other payables* | - | 4,390,593 | 4,390,593 |
| Income tax payable* | - | 2,488,311 | 2,488,311 |

| 30 June 2018 | Loans and receivables | Other financial liabilities | Total |
|---|---|---|---|
| | --------------------------- | Rupees | --------------------------- |
| **Financial Assets** | | | |
| Cash and bank balances* | 5,700,594 | - | 5,700,594 |
| **Financial Liabilities** | | | |
| Payable to holding company - net* | - | 4,366,198 | 4,366,198 |
| Trade and other payables* | - | 1,845,186 | 1,845,186 |
| Income tax payable* | - | 227,021 | 227,021 |

*As the aforementioned financial assets and liabilities are short term in nature and reprised periodically. Therefore, their carrying amounts are reasonable approximation of fair value. Accordingly, no disclosure of fair value is required.

## 19 NUMBER OF EMPLOYEES

Total number of employees as at 30 June 2019 were 5 (2018: 7). Average number of employees during the year were 6 (2018: 7).

## 20 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Chief executive and directors have not been paid any remuneration during the year. The Company does not have executives during the year.

## 21 SUBSEQUENT EVENTS

Subsequent to the year end, the novel coronavirus (COVID-19) emerged and since then, the condition has continued to deteriorate. On 30 January 2020, the World Heal Organisation (WHO) declared the outbreak a Public Health Emergency of International Concern" and on 11 March 2020, the WHO declared the COVID-19 outbreak to be a pandemic in recognition of its rapid spread across the globe. Many countries, including Pakistan, are taking increasingly stringent steps to help contain the spread of the virus, including requiring self-isolation/quarantine by those potentially affected, implementing social distancing measures, and controlling or closing borders and locking down cities and regions. The events and conditions are resulting in disruption to business operations particularly to businesses in highly exposed sectors and significant increase in economic uncertainty. The capital markets across the globe are hit hard by these events and economic forecasts suggest recession of the global economy. Although there could be impacts on revenue, cashflows and expenses, however the sector Company's is operating in is not expected to be significantly impacted by this pandemic. Accordingly, the management, believes that these events would not fundamentally impact the operations and its continuity next year. Construction sector in which the Company operates, is not expected to be significantly impacted by this pandemic. Moreover, the Government is keen to increase the construction activity to kick start the economy Accordingly the management believes that these events would not fundamentally impact the Company's operations and its continuity as Going Concern

## 22 CORRESPONDING FIGURES

Following corresponding figures have been reclassified for better presentation.

**Statement of financial position**

| Reclassification from | Reclassification to | Rupees |
|---|---|---|
| **Current assets** | **Current liabilities** | |
| Advance tax | Income tax payable | 11,891 |

## 23 GENERAL

23.1 Figures have been rounded off to the nearest rupee.

## 24 DATE OF AUTHORIZATION

These financial statements were authorized for issue on ____________________ by the Board of Directors of the Company.

CHIEF EXECUTIVE OFFICER

DIRECTOR

For Signatures
Please